FINANCIAL POSITION

The passing year, as already stated, is expected to close with a net surplus of Rs. 18·50 lakhs and with a cash balance of Rs. 88·12 lakhs. The overdraft account for the purchase of food grains is expected to stand at Rs. 40 lakhs, even though during the year the extent of its operations will rise to over a crore. At the end of the year we would have a net asset of Rs. 141·54 lakhs over all liabilities.

BUDGET ESTIMATE OF 1120

I now pass on to 1120. In the coming year thanks to the plethora of money among the classes and masses, among all expect the salaried people we except the highest peak of revenue and expenditure ever anticipated in the history of our State. The revenue and expenditure charged to revenue account stand at Rs. 218·69 lakhs and Rs. 202·09 lakhs respectively leaving a surplus of Rs. 16·60 lakhs. This is indeed a record over which we can well be proud of considering that our revenue and expenditure a decade back in 1110 stood at Rs. 97·41 and Rs. 96·84 respectively. Of course, the budget before the House has been framed on the hope that the seasonal conditions will be normal next year and the additional incomes under Income-tax, Excise, Forests, etc., brought about by the War conditions will be continued. In the State as elsewhere throughout India the auction sales of Excise shops have resulted in bumper revenues mainly on account of the higher purchasing power in the hands of the masses. Though apt to be considered as an exploitation of the poorer classes, yet this is more a method of fighting inflation and hence may prove of ultimate benefit.

Before going into details I would like to give the House a short resume of the various important measures for which the Budget of the coming year is noteworthy.

Irrigation.—First and foremost is the enhanced provisions made under irrigation and water supply both under Panchayats and Public Works and for the improvement of public health and social services. Our motto " Irrigation, more irrigation and yet more irrigation" which we referred to while presenting the Budget for 1118 is seen well reflected in the Budget before us.

Dearness Allowance.—Dearness Allowance has recently been liberalised and extended to all drawing Rs. 200 and below and its benefit has been correspondingly extended to aided school staff and pensioners. The latest scheme is expected to cost Rs. 20·51 lakhs as against Rs. 13·99 lakhs according to the older one.

Travelling Allowance.—On account of the enhancement of the rates of T.A. both ordinary and fixed the Budget estimate for the coming year provides for a total of Rs. 3·24 lakhs.

Growth of Esablishment.—Another distinct feature of the Budget estimate of the coming year is the large increase in the number of temporary establishments in all departments of the State. The immense work thrown out by the War and the critical food situation has affected in a greater or lesser degree all branches of administration and it has been found impossible to cope with the ever increasing work without temporary additional staff. Apart from the Supplies department, the number of temporary hands in the several departments shows an approximate increase of about 300 hands.

The Food Supplies department had to be further strengthened in the course of the year by an additional staff of 216 hands.

Having given a bird's-eye-view of the striking features of the Budget estimate for the coming year I shall now proceed to go into some important details.

REVENUE

For the coming year we anticipate as already stated a total revenue of Rs. 218·69 lakhs which shows an increase of Rs. 9·36 lakhs over the Revised estimate and of Rs. 33·30 lakhs over the Budget estimate of the current year.

Of all the heads anticipating increases in revenue, Abkari and Ganja comes first with an abnormal increase of Rs. 21·70 lakhs over the Revised estimate. As against the usual pre-war revenue of about Rs. 10 lakhs under this head the coming year expects a revenue of Rs. 42·82 lakhs, a figure one would never have dreamed of a year back. Another head showing appreciable increase over the Revised estimate is Railway which has been brought about by an all round heavier traffic. There are a few more heads showing increases in revenue and I do not propose to tire the House by repeating them here as they are explained in the Memorandum.

Against these increases there are certain heads of revenue which anticipate falls to a total extent of—Rs. 15·02 lakhs as compared with the Revised estimate. Miscellaneoue is the most prominent head anticipating a fall of Rs. 5·25 lakhs. This is mainly due to the absence of any substantial revenue from the Hill Paddy Cultivation measures since the scheme of cultivation

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directly by Government has been given up for one in favour of cultivation by lessees. It is hoped that this revised system would bring in more food to the people as there is the incentive of personal gain to induce the lessees for hard work to get as much as possible out of the leased lands. The fall in imports in 1943-1944 is expected to reduce our share of the actual dues under Customs by Rs. 4·14 lakhs as compared with the Revised estimate of Rs. 30·84 lakhs. Smaller supplies of timber and fuel are likewise expected to bring in less revenue under Forests and Tramway which expects a fall of Rs. 3·90 lakhs from the Revised estimate of Rs. 22·66 lakhs. The variations under other heads are not important enough to require repetition here and I therefore pass on to disbursements.

DISBURSEMENTS

As compared with the Revised estimate of Rs. 190·83 lakhs and the Budget estimate of Rs. 166·88 lakhs for the current year we have budgetted for a programme of expenditure of Rs. 202·09 lakhs which exceeds the Revised estimate and Budget estimate of the current year by Rs. 11·26 lakhs and Rs. 35·21 lakhs respectively.

As I have already dealt with the main characteristic features of the estimates of the coming year in my prefatory remarks my task in explaining the estimates or the coming year has been made much easier.

COLLECTION SERVICES

As usual I shall first deal with the revenue services like Land Revenue, Excise, Forests and Tramway, Stamps and Income-tax.

Land Revenue provides only for the routine items and the only distinctive features are provisions for giving account training to four clerks, advance survey training for a candidate under the Madras Survey department and lump provision of Rs. 5000 for opening a Survey school. A sum of over Rs. 12,300 has been made in 1120 for various improvements to Fishing industry of which the more important are the opening of a new fishcuring yard and that of Rs. 4,200 to give training to our fishermen in improved methods of fishing. There is also provision for the extraction of oil from sharks.

The *Excise* budget for 1120 records numerous changes. The enormous growth in the activities of the department on account of the war has necessitated the opening of a new circle with the necessary staff. Within the last 2 years 5 taluk inspectors and about 150 peons have been appointed and 67 frontier posts have been opened all for the important work of prevention of export of food stuffs and other essential articles with a view to successfully tackle the problem of conserving the resources of the State in this crisis. Some additional ministerial staff are also proposed in addition to the appointment of a Personal Assistant to the Excise Commissioner. The experiments conducted at Malipuram in Salt Manufacture have been generally successful and it hss been decided to continue the experiments for one year more and a provision of Rs. 0·44 lakh has been made for the purpose.

The other heads except perhaps Income-tax have no special features worthy of mention. The more extensive and intensive operations of the Income-tax department which have raised the revenue from this source to an enviable extent has necessitated the appointment of an additional Income-tax Inspector on Rs. 100—150 and three Assistant Examiners of account on Rs. 60—100 for the coming year.

LAW AND ORDER SERVICES

Let me now pass on to the Law and Order services—Law and Justice, Jails, Police and Military. With the gradual subsidence of the stormy unrest in British India more or less normal conditions are now prevailing in the State. However the necessary precautionary measures have to be continued in these times to keep a careful watch on the situation till the war is over and hence the large temporary Police force has been continued. The expenditure under this head has been steadily mounting up. In 1117 it was only Rs. 2·34 lakhs and last year it came up to Rs. 3·09 lakhs. The Revised estimate anticipates Rs. 4·10 lakhs while the Budget estimate for 1120 is fixed at Rs. 4·89 lakhs. This steady increase has been brought about by the extra cost of a reorganisation of the Police force, the entertainment of a large temporary force, the extra cost on enhanced dearness allowance and other special allowances to the Police force. Another new feature of the Police budget is the provision of Rs. 5,000 for getting two candidates trained as Sergeants. The large increase of Rs. 2·23 lakhs under Military as compared with the Revised estimate of Rs. 4·52 lakhs is mainly due to the further development in the organisation of the State Forces whose full development is only nearing completion.

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